

Council: Tuesday, 14 April 2015

Opposition Motion: Councillor Ross Houston

Barnet Council's Rent Policy

Council notes the Conservative administration's proposal to increase council rents from 30% to 80% of average open market rents or Local Housing Allowance (LHA) rates whichever are lower, and to apply this increase to existing secure council tenants, existing empty council properties that are re-let and new build council homes.

Council opposes this policy for the following reasons:

- The proposals are not genuinely affordable and will more than double rents in some cases resulting in real hardship for many people.
- The proposals will push up the housing benefit bill and cost the tax-payer more.
- The proposals are impractical - for some people the amount of income needed to afford the new rent would push them above the threshold for qualifying for a council home in the first place.
- The proposed rent increase for existing secure council tenants could be unlawful, as it is against national guidance which currently sets rent increases at CPI plus 1%.
- Rent increases above the rent formula could mean reduced housing benefit subsidy and therefore no additional income to the council.
- Charging completely unaffordable rents in order to raise money to build homes that are then charged at completely unaffordable rents will not solve the affordable housing crisis - it will make it worse as more and more people will be trapped in a cycle of debt, eviction and homelessness.

Council calls on the administration to scrap these proposals, to keep council rents as they are, and to work on a new model of affordable rent that is linked to income.